

STATE CONTROLLER'S OFFICE  
PERSONNEL/PAYROLL SERVICES DIVISION  
P. O. BOX 942850  
Sacramento, CA 94250-5878

DATE: October 11, 2016

PERSONNEL LETTER #16-014  
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Debra Spellman, Chief  
Personnel/Payroll Services Division

RE: **OCTOBER 1, 2016 SPECIAL SALARY INCREASE AND GENERAL SALARY INCREASE  
FOR BARGAINING UNIT 2**

Based on an agreement between the State of California and Bargaining Unit 2, a Special Salary Adjustment (SSA) has been approved effective October 1, 2016 for employees in classes designated M02, S02, R02 (Excluded Ranges), U02 (Supervisory Ranges), and certain E97, E98 and E99 classes.

A 5% General Salary Increase (GSI) has also been approved effective October 1, 2016 for employees in classes designated R02 and U02 (Rank-and-File Ranges), M02, S02, R02 (Excluded Ranges), U02 (Supervisory Ranges), and certain E97, E98 and E99 classes. Please refer to CalHR's Pay Letter #16-19 for further information. This letter can be accessed via the following link:  
<https://hrnet.calhr.ca.gov/CalHRNet/default.aspx>

The new salary rate will be reflected in the employees' October 2016 master payroll.

#### EH UPDATE PROCESSING

The State Controller's Office (SCO) will process an Employment History (EH) mass update on October 11, 2016 to post a SAL (SSA) effective October 1, 2016 for eligible employees. SCO will process a second EH mass update on October 12, 2016 to post a GEN (GSI) effective October 1, 2016 for eligible employees. The SSA and GSI will be reflected in the employee's base salary rate.

PPSD will manually update the EH records not included in the mass update. PPSD will notify the department of any situations requiring department action.

Turnaround (TAD) PARs will be issued and released on a flow basis.

#### SPECIAL EH DOCUMENTATION/PROCESSING INSTRUCTIONS

##### **Disability/Military Leave**

Departments must manually identify and update the records of employees on Disability or Military leave at the time of the mass update.

##### **Plus Salary**

Departments must manually identify and update the records of employees who have a plus salary.

**Lump Sum**

Employees who separated from state service without fault prior to the effective date of the salary increase with lump sum pay extending beyond 10/01/16, and who were eligible for the SAL/GEN at the time of the separation, should have their lump sum adjusted to reflect the salary increase. Departments must identify and manually process the SAL/GEN transactions for separated employees, as applicable.

**Out-of Sequence**

Once the SAL/GEN transaction is posted to an employee's EH record, any new out-of-sequence transaction must have the old salary rate entered, if allowable on the transaction. If not entered, the salary rate information per the SAL/GEN transaction will be reflected on the new transaction and could cause an overpayment. See PAM Section 9 for further processing information.

If correcting a 10/01/16 effective date transaction that was processed prior to the SAL/GEN being posted, please send to PPSD for processing. Per CalHR rule 599.689, MSA transactions with a 10/01/16 effective date must be posted prior to the SAL/GEN, if applicable.

**PAYROLL ADJUSTMENTS**

Departments shall submit Form STD. 674/674D to request adjustments for the following payments that may issue without the salary increase for the 10/2016 pay period:

- Regular pay with dock applied for employees with a mid-month change.
- Regular pay for employees on an alternate work schedule or working shift and time paid does not equal time possible for the pay period.
- Industrial Disability Leave (IDL).
- Temporary Disability (TD).
- Nonindustrial Disability Leave (NDI).
- State Disability Insurance (SDI).
- LC 4800.
- Out-of-Class pay – Earnings ID 8G and 8G2 only.
- Supplemental Premium Payment Type 8 only if the pay rate is based on a percentage of the employee's based on salary rate and the employee is receiving a GSI.

Please direct questions on the SSA/GSI as follows:

SUBJECT AREA	CONTACT	TELEPHONE NUMBER
Program Administration (e.g., rules, regulations, benefits/pay impacts)	Personnel Services Branch CalHR	(916) 323-3343
General Payroll Procedures Disability Payroll Procedures Employment History Procedures	Customer Contact Center SCO	(916) 372-7200

DS:JR:PMAB